

# Advanced Microeconomics I

-- Syllabus --

**Lecture:** 3 SWS (1SWS = 45 min in each of 14 weeks)

**Lecture dates:** Every Tuesday, every second Thursday (Nov 21<sup>st</sup> instead of 28<sup>th</sup>)

**Tutorial:** 2 SWS , starting in the third week of the semester

**Instructor:** Prof. Dr. S. Goldlücke

**Course level:** Master

**Course language:** English

**Examination:** written final exam (90 minutes), no midterm

**ECTS:** 10

## Course description

This course is a rigorous introduction to microeconomic theory. After successful participation in this course, students will be familiar with the basic concepts of microeconomics like utility maximization, decisions under uncertainty, production, perfect and imperfect competition, externalities, Nash equilibrium in games of complete and incomplete information. They have discussed some important applications and will have learned some methods and modelling techniques that are important for other courses.

## Prerequisites

This course is compulsory in the first semester of the Master's program in economics. Students should be familiar with mathematical methods as covered in the Prep course "Quantitative methods". Some prior background in microeconomics on the level of Varian, "Intermediate Microeconomics", or Pindyck and Rubinfeld, "Microeconomics", is helpful. The material will be covered from scratch, but at a fast pace.

## Course outline

Chapter 1: Preferences, utility, demand, expected utility.

Chapter 2: Production, costs, profit-maximization.

Chapter 3: Partial equilibrium, welfare

Chapter 4: Exchange economy, Walrasian equilibrium

Chapter 5: Externalities, public goods

Chapter 6: Nash equilibrium, Bayesian games, extensive games

## Literature

Textbook for this course is **Jehle and Reny "Advanced Microeconomic Theory"**

Other sources:

Mas-Colell, Whinston, Green: "Microeconomic Theory"